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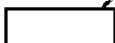
6 SEP 1963

MEMORANDUM FOR: Deputy Director of Central Intelligence
SUBJECT: Employment of Retired Military Officers by
the Agency

1. This memorandum is for information only.
2. Earlier this year you had requested this office to look into the possibility of securing an amendment to section 5(f) of P. L. 110 to raise the number of retired officers the Agency could employ above the existing number of fifteen. Since that time definitive action has been taken by the Administration in this field resulting in introduction of an Administration bill, H. R. 7381, on which there have been hearings.
3. H. R. 7381 is a comprehensive revision in the entire field of the dual compensation statutes and it would repeal many of the existing statutes in this field including section 5(f) of P. L. 110. This bill would remove the bar against employment by the Federal Government of military officers retired for longevity. Such officers would be entitled to receive the full salary of the position to which appointed and, in addition, could receive the first \$2500.00 of their annual retirement pay plus one-half of the remainder.
4. It appears highly likely that this bill will receive continued attention and action in the Congress and it is probable that this bill although possibly modified will eventually become law. Consequently, it would appear unnecessary as well as inappropriate for the Agency to initiate action in this field so long as this bill is under active consideration.

cc: DD/S

Personnel



s/ John S. Warner

JOHN S. WARNER
Legislative Counsel